

**OFFICE OF THE LIEUTENANT GOVERNOR**  
**EVELYN SANGUINETTI – LIEUTENANT GOVERNOR**

**Local Government Consolidation and Unfunded Mandates Task Force**  
**Meeting Minutes**

Wednesday, April 8, 2015  
County of DuPage Board Room  
421 N County Farm Road  
Wheaton, Illinois  
1:00 PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90 <sup>th</sup> District	Y
Mark Batinick	Representative	97 <sup>th</sup> District	Y
Jack Franks	Representative	63 <sup>rd</sup> District	Y
Emmanuel Chris Welch	Representative	7 <sup>th</sup> District	Phone
Dan Duffy	Senator	26 <sup>th</sup> District	Y
Dale Righter	Senator	55 <sup>th</sup> District	N
Martin A. Sandoval	Senator	12 <sup>th</sup> District	N
Linda Holmes	Senator	42 <sup>nd</sup> District	Y
Karen Darch	Mayor	Barrington	Y
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	Y
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	N
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Y
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Y
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Y
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the third time on April 8th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

### **MEETING LOCATION**

Building: DuPage Administrative Building  
County of DuPage Board Room  
421 N County Farm Road  
Wheaton, Illinois  
1:00 PM

### **MEETING START**

Meeting Schedule Start: 1:00PM  
Meeting Actual Start: 1:15PM

### **AGENDA**

#### **I. Call to order and Roll Call**

- a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 1:15PM CT and welcomed members
- b. Roll Call was taken

#### **II. Approval of minutes from April 2<sup>nd</sup> 2015**

- a. Minutes from the last meeting were opened for corrections. The minutes were then motioned for approval. Brad Cole moved and Dr. Darlene Ruscitti seconded. The minutes were approved by majority Ayes with no Nays recorded.

#### **III. Chairman's Remarks**

- a. Lieutenant Governor Sanguinetti welcomed Task Force members and elected officials present. She then outlined the two goals of the Task Force that Governor Rauner put forth, the first being to streamline, consolidate, or eliminate duplicative local government, school districts, and taxing authorities. The second goal is to identify to replace, revise, or repeal unfunded mandates placed on local government and school districts.

#### **IV. Presentations**

- a. Chairman Dan Cronin, DuPage County: Chairman's ACT Initiative
  - Dan Cronin began by explaining that he was originally prompted to address local government reform because he recognized a lack of accountability and transparency among two-county appointed-agencies.
    - As County Board Chairman, he was alerted that the DuPage Housing Authority misallocated \$5 million dollars in federal funds.
    - He realized county-appointed agencies needed stronger oversight, especially since many were taxing bodies.
    - As County Chairman, he had no authority to gather information about or examine the books of these agencies

- Therefore in 2011 Dan Cronin worked with the General Assembly to pass legislation requiring county-appointed agencies to produce information including annual financial and budget reports to the county.
- DuPage County then utilized a consulted firm to examine 24 county-appointed agencies and this revealed the need for reform, which prompted the ACT (Accountability, Consolidation, and Transparency) Initiative.
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  - To date, this has saved taxpayers over \$100 million through shared services, joint purchasing, employee benefit reforms, and modifications to procurement policies.
- SB494 allowed DuPage County to dissolve up to 13 county-appointed agencies
- Dan Cronin discussed lessons learned in DuPage
  - Progress is slow and incremental
  - The streamlining of government needs to be incentivized and encouraged
  - Members of the General Assembly should be put on record acknowledging the size and cost of local government in Illinois is burdensome and reduces transparency.
  - Local government officials need to have the necessary tools to determine which units of government should be dissolved.
- Dan Cronin then introduced Mayor Martin Tully of Downers Grove to discuss their successful dissolution of the “paper” Fairview Fire Protection District.
  - Mayor Tully:
    - Fairview Fire Protection district levied a property tax on households within borders yet it provided little service.
    - It also amassed over \$110,000 in debts over time.
    - They created a special service area to assess the assessment of the properties within the Fairview Fire District which then provided a reliable source of funding for the services residents were receiving, and eliminate past debts.
    - Also allowed for dissolution of the Fairview Fire District.
- Time is allotted for questions:
  - Lieutenant Governor Sanguinetti: “Where would you like to see the ACT Initiative five years from now?”
    - Dan Cronin responded they want to take this to the next level, and he believes Lake and McHenry counties will soon

be embracing SB494. He also said he sees things moving incrementally and elected officials need to respond to the recognition of voters that there is too much government. In five years from now he would like to see a more robust body of law to allow voter initiative to affect the structure of government.

- Dr. Darlene Ruscitti: “What are your thoughts on what we can do to educate the public and change the political will to convey this sense of urgency?”
  - Things like today’s hearing are a good start, and we need to carry forward the effort and talk to our brethren. We also need to be open-minded and see the big picture. I frequent editorial boards and make sure to have many discussions with people on these topics concerning local government. Elected officials need to be part of the solution and not part of the problem, and need to examine what they can do to move these reforms forward.
- Hill Hammock: “What were you able to do to get county-appointed agencies to report?”
  - By-and-large the majority of the folks on the agencies were very cooperative, and though they were required to have an audited financial statement, it did not always reflect a sound financial picture. We gathered expertise and used a consulting firm to separate fact from fiction. We discovered a lack of policy concerning both procurement and ethics. Getting the data is a big part of the challenge.
- Hill Hammock: “Could you envision legislation that would be more specific to that?”
  - I can foresee uniform standards for the compliance of local government and adherence to transparency and accountability measures.
- Warren Dixon III: “Could you speak to the accounting of the special service units?”
  - With Special Service Areas you can usually realize efficiencies, though it is not one-size-fits all. Generally it is a more efficient model.
- Warren Dixon III: “Is the \$100 million savings in projected savings?”
  - Yes, it is projected over twenty years. The amount we have already saved is somewhere in the tens of millions. We are being very conservative about our estimations, and can share those numbers with you.

- Representative Batinick: “Just to clarify I heard correctly-You dissolved two units of government and dissolved thirteen agencies? What were they?”
  - We have the legislative authority to dissolve thirteen and we have dissolved two, progress can be slow. We dissolved the Fairview Fire Protection District and Timberlake Estates. Currently we are working with a few units to consider sharing services. There is a lot being done involving the adoption of best practices and collaborative measures in the way of mosquito abatement.
- Representative Demmer: “Are their hurdles in state law that makes sharing services more difficult? What might be some incentives for consolidation?”
  - In respect to the hurdles for shared services, there is a built-in inertia. There are jobs, lawyers, and lobbyists that hinge on some of these services. There is not currently an incentive beyond providing good government, but there is an opportunity to incentivize through state law. There should be incentives to counter the inertia of local government.

b. Brian Costin, Policy Director, Lt. Governor, Current Consolidation Laws

- Counties have different provisions
  - Regarding annexation, if two counties agree to that you need 200 voters to sign a petition and then a majority of each county’s voters for approval
- Municipalities also very prohibitive
  - For dissolution, a majority of total votes cast in the last election are required
  - If the municipality has less than 50 residents, it is slightly easier
  - If there is a union of two municipalities, it is 10% of total persons voting in the last general election, or 250 people
  - Consolidation into a new municipality with more than two municipalities combining requires a petition with 8% of the votes cast in the last general election
- School Districts
  - Slightly easier than other levels of government in some ways
  - For conversion, need 50 people or 10% of the voters residing in each district.
- Townships
  - County Board needs to be the initiating entity for there to be a consolidation or annexation process
  - Very burdensome for citizens to initiate the process

- For citizens to be empowered, the state laws vary widely amongst the levels of government
- There are thirty-eight other types of local government identified by the Comptroller, and each has its own separate rules.
- Because of these varying burdens on citizens, there is likely a need for a universal process and solution regarding government consolidation at all these levels.
- Time is allotted for questions:
  - Lt. Governor: “Can you talk about our plans of our Office of the Lt. Governor to educate citizens on the consolidation process in the future?”
    - We’d like to construct a how-to manual, or a checklist of sorts to help citizens engage in consolidation efforts.
  - Hill Hammock: “Are there any minimums in the referendum, is a simple majority sufficient for consolidation?”
    - Sometimes a simple majority is sufficient, in other areas it’s either 60% of the people voting on the referendum itself or 50% voting in the election. There are slightly different variations, and we are compiling that information for the Task Force.
  - Warren Dixon III: “
    - It is relatively easy to create government in Illinois, but there needs to be a higher hurdle for government creation. On the other end, there needs to be a mechanism to get rid of government. I think it is important to empower locals to make decisions and have the ability to achieve consolidation efforts.
  - Char Foss-Eggeman: “How do we level the playing field between the citizen-initiated action and the governmental body? How do we empower the citizens once we give them the power to consolidate?
    - Great question and this is why we want to produce a citizen’s guide to consolidation so that we can educate them on the process. Outside organizations and good government groups could also get involved to counteract some of the entrenched interests at local government.

## **V. New Business**

### **a. Discussion of proposed consolidation bills**

- HB228: Local Government Creation Moratorium (Rep Franks)
  - Senator Holmes: “When is the last time we created a new unit of government?”

- Costin: That is something we can work with the Comptroller to get a better handle on the units of government and produce that information that at a future meeting.
  - Franks: I would guess a lot of them are SSAs.
- Warren Dixon III: “Are you receiving pushback from the home rule community on the SSA component of your legislation?”
  - There was a lot of pushback from the locals, but I think it is something we can get past with the Governor’s help.
- Karen Darch: “Are we calling SSAs a different unit of government? We have a few SSAs with no governing bodies”
- HB229: Expansion of DuPage County Consolidation (Rep Franks)
  - Lt. Governor Sanguinetti: “Is there any estimation on how many units of local government would be eligible for consolidation if this bill passed?”
    - Using DuPage as a guide, it would likely be similar. I would like to make it a lot bigger to involve many counties, and that will happen incrementally.
- HB174: Special District Into General District Consolidation (Costin)
  - Hill Hammock: “Is there a duty to transfer all employees from the combined agencies?”
    - It does provide for transfer of personnel of the dissolving unit into the receiving unit.
  - Dr. Darlene Ruscitti: “Is there a way to know where the other 90+ counties are with the consolidation effort?”
    - I think it would be possible to put together a plan to survey the counties outside the ones discussed today to find out where they are with consolidation.

b. Member Comment

- Discussion on HB3747
  - Sponsored by Representative Sandack.
  - Concerns the dissolution of county-appointed agencies
- HB4047
  - Sponsored by Representative Manley
  - Amends the Counties Code. Provides that the Local Government Reduction and Efficiency Division of the Counties Code applies to counties with a population of more than 650,000 (currently 900,000) and the units of local government within such counties.
- Time is allotted for questions:
  - Hill Hammock: “Lieutenant Governor, how is this Task Force wrapping up its report and how do you see this concluding?”
    - We do not produce a report for the Governor until the end of the year, but as we discussed today progress must be incremental, so we are meeting on April 22<sup>nd</sup> to vote on

various bills that we can get behind. We will continue to meet monthly throughout the year.

## **PUBLIC COMMENT**

Six individuals signed up and participated in Public Comment.

- Steve R. Scott: As a past President of the Illinois High School and College Drivers Ed Association, Steve Scott was concerned with the discussion of the last Task Force meeting held in Bloomington regarding Drivers Ed. He wanted to remind Task Force members that Drivers Ed is not an unfunded mandate, and the money comes from permit applications. Seventy-three percent of young drivers that get certificates of completion are from public high schools in Illinois. He argued that we need to consider that it takes money and time to prepare the next generation for the world, and if there would be dire consequences to having the mandate removed from schools.
- Brent Johnston: Brent Johnston represents the Illinois Drivers Ed Association and during his comment asked Task Force members to think beyond dollars and cents, and that we are discussing the lives of our young. He also mentioned that all state statutes are a mandate in some form, and that we can't attack driver safety.
- John Morrissey: He discussed a report that found that incorporated areas do not want to absorb unincorporated areas. He also suggested looking at the comparison between counties that do and do not have road commissioners, and that the difference can be striking. Morrissey used the example of Menard County, and pointed out that many of their roads are like dirt trails.
- Ed Levato: Levato brought up that eliminating government does not equate with saving money. He also pointed out that money will not be saved by consolidating districts that provide services. However, money will be realized by consolidating duplicating bodies. He resents the notion that townships will be eliminated because many provide effective services.
- Blair Garber: He discussed the elimination of a township in Evanston after evaluating what services the township actually provided. Evanston Township had inefficiencies, and was coterminous with the City of Evanston. The city wanted to acquire those funds to fill their own holes, which was successful.
- Gary Muehlfelt: As a highway commissioner he has over 85 miles of road, and operates with a very small crew and a high efficiency. He explained that the municipalities can currently take the roads if they want them, but they do not want to absorb all of these lane miles. Before any road commissions are eliminated, he asked that the task force consider this.

## **MEETING END**

Lieutenant Governor Sanguinetti then motioned to adjourn at 3:36PM CT. Representative Batinick moved the motion and Dan Cronin seconded the motion. The motion was approved by majority Ayes with no Nays recorded.

**NEXT MEETING**

Monday, April 13th, 2015 *1-3pm*

Civic Center, 200 S Illinois Ave, Carbondale, IL 62901